

# Appendices

<b>Appendix A:</b>	<b>Demographic Information on Vietnamese in the U.S.</b>	<b>116</b>
<b>Appendix B:</b>	<b>Survey Form for Microloan Programs</b>	<b>118</b>
<b>Appendix C:</b>	<b>Interview Summaries with Vietnamese Entrepreneurs</b>	<b>122</b>
<b>Appendix D:</b>	<b>Vietnamese in Houston: Business, Cultural &amp; Community Organizations</b>	<b>129</b>
<b>Appendix E:</b>	<b>Microloan Application (English &amp; Vietnamese)</b>	<b>145</b>
<b>Appendix F:</b>	<b>Sample Marketing Materials (English &amp; Vietnamese)</b>	<b>157</b>
<b>Appendix G:</b>	<b>Small Business Management &amp; Training Course (English &amp; Vietnamese)</b>	<b>164</b>
<b>Appendix H:</b>	<b>Resource Directory of Vietnamese Organizations in the U.S.</b>	<b>181</b>
<b>Appendix I:</b>	<b>Bibliographic Sources for Manual Microloan Programs &amp; Immigrant Entrepreneurship Vietnamese and Vietnamese Businesses Vietnamese in Vietnam Vietnamese in the U.S.</b>	<b>189</b>

## Appendix A

### DEMOGRAPHIC INFORMATION

**Table 5.1 General Figures on Vietnamese in U.S. (1995)**

Refugees (1975-1994)	802,000
- <i>Refugee Movements I (1975)</i>	<i>130,000</i>
- <i>Movement II (1978-1989)</i>	<i>485,000</i>
- <i>Movement III (1990-1994)</i>	<i>187,000</i>
Immigrants (1982-1994)	195,000
Born in U.S. (1975-1994)	Est: 100,000
<b>Total</b>	<b>1,097,000</b>

**Table 5.2 Vietnamese-American Population by Region (1990)**

Region	% of Total Vietnamese Population
Northeast	9.8
Midwest	8.5
South	27.4
West	54.3

**Table 5.3 Vietnamese-American Population by State (1995)**

State	Population
California	420,000 (about 42%)
- <i>Orange County</i>	<i>150,000</i>
- <i>Los Angeles</i>	<i>100,000</i>
- <i>San Jose</i>	<i>80,000</i>
- <i>San Diego</i>	<i>40,000</i>
Texas	120,000
Virginia	25,000
Washington State	35,000
Florida	20,000
Other States	less than 10,000

**Table 5.4 Age and Educational Level (1990)**

<b>Age/Education</b>	<b>% of Population</b>
65 Years Old and Over	3.3
Between Ages of 25-44	36.9
High School Graduates	58.9
Hold BA/BS or Higher (total population)	16.8

**Table 5.5 Various Occupations of Vietnamese-Americans (1990)**

<b>Occupation</b>	<b>% of Population</b>
Professional Specialty	10.7
Service	15.6
Operators, Fabricators, Laborers	20.8

**Table 5.6 Income Level (1990)**

Families with income less than \$20,000/year	33.4%
Families with income more than \$100,000/year	3.7%
Median Household Income	\$30,039

**Table 5.7 Number of Vietnamese-American Owned Businesses in U.S.**

<b>Year</b>	<b>Number of Businesses</b>
1982	4,989
1987	21,068
1992	59,674

**Table 5.8 Non-Vietnamese Minority-Owned Businesses**

<b>Ethnicity</b>	<b>Number of Businesses</b>
American Indian	95,040
Asian Indian	93,340
Central American	183,700
Chinese	153,096
European Spanish	60,478
Filipino	67,625
Japanese	68,662
Korean	104,918
Mexican	403,871

*\*Source: U.S. Bureau of the Census and the Vietnamese Community of Orange County, Inc.*

## **Appendix B**

### **SURVEY OF SMALL BUSINESS LOAN PROGRAMS**

**Survey of Small Business Loan Programs**  
**Vietnamese Marketing Project**  
*February 1997*

1. Name of Program\_\_\_\_\_
2. Address\_\_\_\_\_
3. Telephone/Fax/E-Mail Address\_\_\_\_\_
4. Program Director\_\_\_\_\_
5. Contact Person (Your Name)\_\_\_\_\_
6. Programs Offered at Your Agency:  
Business Technical Assistance\_\_\_\_\_ SBA Microloan\_\_\_\_\_  
Other Small Business Loans (specify) \_\_\_\_\_  
\_\_\_\_\_  
Other Services Offered by Your Agency (specify)  
\_\_\_\_\_  
\_\_\_\_\_
7. Geographic area served\_\_\_\_\_
8. Number of Years Operating Loan Programs\_\_\_\_\_
9. Number of Business/Loan Staff:  
Business Programs Director/Manager\_\_\_\_\_  
Business Technical Assistance/Loan Officers\_\_\_\_\_
10. Bilingual Capabilities of Business Staff:  
Vietnamese\_\_\_\_\_ Chinese (Cantonese/Mandarin)\_\_\_\_\_ Korean\_\_\_\_\_  
Spanish\_\_\_\_\_ Russian\_\_\_\_\_ Cambodian\_\_\_\_\_ Other\_\_\_\_\_
11. Loan Terms and Amounts (if you have more than one loan program, choose the most appropriate one for Vietnamese or new immigrant business borrowers):  
  
Range of Loan Amounts/Applicant\_\_\_\_\_
- Current Interest Rate\_\_\_\_\_
- Length of Loans (# of months)\_\_\_\_\_
- Fees (\$s charged if any):  
Application\_\_\_\_\_ Credit Report\_\_\_\_\_ UCC-1 Filing Fee\_\_\_\_\_ Closing Fees\_\_\_\_\_
- Other fees (specify)\_\_\_\_\_

12. Loan Portfolio:

Total Number of Loans in Portfolio\_\_\_\_\_

# of Loans to Vietnamese Businesses\_\_\_\_\_

# of Loans to All Asian Businesses\_\_\_\_\_

# of Loans to Hispanic Businesses\_\_\_\_\_

# of Loans to Afro-American Businesses\_\_\_\_\_

# of Loans to Women Businesses\_\_\_\_\_

Types of Businesses in Portfolio (as percentage of total, just estimate)

Retail\_\_\_\_\_ Service\_\_\_\_\_ Wholesale\_\_\_\_\_ Manufacturing\_\_\_\_\_

13. Loan Criteria Guidelines (if you have more than one loan program, discuss the program you selected for Question 11):

**Minimum acceptable levels (in general)**

a. Credit: Perfect\_\_\_\_\_ A few minor negatives\_\_\_\_\_ Major negatives\_\_\_\_\_

Prior bankruptcy\_\_\_\_\_ No or very minimal credit history\_\_\_\_\_

b. Time in Operation: Start-Up (0 months)\_\_\_\_\_ New (3-6 months)\_\_\_\_\_

Almost Established (6-12 months)\_\_\_\_\_ Established (1 year or more)\_\_\_\_\_

c. Profitability (after business expenses are deducted from revenues, entrepreneur can draw sufficient cash to support his personal living expenses):

Still Losing Money\_\_\_\_\_ Breakeven\_\_\_\_\_ Generates a Profit\_\_\_\_\_

d. Collateral: None\_\_\_\_\_ Business Assets\_\_\_\_\_ Personal Vehicles\_\_\_\_\_

Real Estate/Tradable Securities\_\_\_\_\_ Qualified Loan Guarantor\_\_\_\_\_

e. Equity Contribution: None\_\_\_\_\_ What Percentage of Loan Amount?\_\_\_\_\_

f. Prior Experience in Business/Industry: None\_\_\_\_\_

Other (specify) \_\_\_\_\_

14. What are your strategies for marketing this loan program to potential borrowers?

Press Releases\_\_\_\_\_ Direct Mail\_\_\_\_\_ Networking with banks\_\_\_\_\_

Networking with non-profit agencies\_\_\_\_\_ Speaking at small business events\_\_\_\_\_

Attending small business events\_\_\_\_\_ Door-to-door solicitations\_\_\_\_\_

TV/Radio appearances\_\_\_\_\_

Other (specify) \_\_\_\_\_

15. Which of these strategies are used in marketing this program to Vietnamese businesses in your area? If there are no Vietnamese businesses in your area, which strategies are used with limited English speaking borrowers and/or new immigrant borrowers?

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16. Vietnamese and/or other new immigrant community resources in your area (list names here or just attach any lists that you have)

Newspapers (names)\_\_\_\_\_

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TV/Radio stations (names)\_\_\_\_\_

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Churches (names)\_\_\_\_\_

---

Community organizations (names)\_\_\_\_\_

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Business groups/associations(names)\_\_\_\_\_

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17. In general, what approaches do you use to outreach and market to Vietnamese and/or new immigrant small businesses? What has been successful?

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18. May we follow-up with you by phone in the future if we have additional questions?

Yes\_\_\_\_\_ No\_\_\_\_\_

Thank you for your participation in this survey!

## Appendix C

### VIETNAMESE ENTREPRENEURS: INTERVIEW SUMMARIES

SEACC interviewed Nineteen Vietnamese entrepreneurs about their history prior to arriving in the U.S., experiences and challenges faced in operating their business. Entrepreneurs were visited between July 1997 and October 1997 in San Francisco and San Jose, California and Houston, Texas. The names of the companies and owners described below are not the actual names.

#### HOUSTON, TEXAS

Mortgage Company starting date - not available  
Employees: 16

Visited on August 16, 1997

Ms. H is the owner of one of the major lending institution for Houston's large Vietnamese population. The company offers construction and real-estate mortgage loans from \$100,000 - \$200,000 tailored to the need of the client. Also provides a full range of services associated with lending and borrowing such as title, insurance and investment.

Pho Trailer starting date - 1995  
Employees: 3; owner/cook/bookkeeper & 2 waitresses

Visited on August 17, 1997

Mr. C and 2 waitresses serve around 300 bowls of fresh beef noodle soup per day in a small trailer converted to a restaurant. Pho Trailer attracts an early morning and lunch crowd and operates on very low overhead costs. There is little decoration, no advertising and no menus. Customers must know what to order. Most come to eat there by word-of-mouth.

Massage Therapist starting date - not available  
Employees: therapist and 2 assistants

Visited on August 18, 1997

Ms. M combines oriental medicine and massage therapy techniques to stimulate nerves of the human body through a vigorous massage with specially designed rollers. Markets heavily in the Vietnamese and American community and is covered by some insurance plans.

#### SAN FRANCISCO AND SAN JOSE, CALIFORNIA

Noodle Shop starting date - 1988  
Employees: 4, father is cook & manager; daughters waitresses

Visited on August 12, 1997

Mr. H bought the restaurant from a friend in 1988. This family run business worked hard and finally expanded to the adjoining space. Attracts an early morning Vietnamese crowd for "Pho" noodle soup. New style of noodles, Trieu Chau style are offered for \$3.50 a bowl. Located in the downtown area, HK Noodle Shop attracts a lunch crowd from nearby business and government offices. In nine years, there has been no real increase in price. The high



quality of dishes attracts customers in a very competitive location; there are 3 Vietnamese restaurants within 50 feet and 7 within a 2 block radius.

Liquor Store starting date - not available  
Employees: not available

Visited on August 7, 1997

The liquor store sells a large variety of drinks, groceries, Asian food items, cigarettes & cigars. The owner, Mr. N, previously owned a pizza delivery store and bought the liquor store after learning many Vietnamese had been successful in the industry. The seller trained him and he learned most of the skills: inventory, purchasing, etc. on the job.

Sandwich shop starting date - late 1970's  
Employees: not available

Visited on August 5, 1997

One of the first Vietnamese restaurants / businesses in San Francisco. This business attracts a large lunch crowd with its crusty French roll sandwiches made of cold cuts, cilantro, pickled carrots and fresh Chile peppers at \$1.50 per roll. While it is one of the first "sandwich" places in San Francisco, it faces strong competition as similar shops have since opened in the neighborhood. The owner now has a larger, fancier restaurant across the street specializing in Hue noodle soup.

Travel Agency starting date - 1993  
Employees: 3 full-time & 2 part-time staff

Visited on July 31, 1997

Mr. H has worked in the travel business since 1991. He also works as a part-time real-estate agent. Mr. H's agency sells tickets at special discount prices. . The Travel Agency serves as a contractor to other agencies who do not have the capability and authorization from the Airline Report Corporation approval to issue tickets through their own computer system Mr. H advertises in all media and has a tri-lingual staff who can communicate in Chinese, Vietnamese and English. Recently, the Agency has started arranging tours and related services for people wanting to travel to Vietnam.

Herbal Medicine starting date - 1992  
Employees: 3: Mr.T, wife and son

Visited on July 29, 1997

Mr. T has more than 40 years of experience in the prescription and sale of herbal medicine in Vietnam. After five years in the U.S., he decided to open the store with financial help from his children and his own personal savings. Prior to opening the store, he advertised in the Vietnamese media. In 1997, the store is one of three known retail outlets for Chinese medicine and herbs in the Tenderloin in San Francisco. One of his sons is learning about herbal medicine and will probably take over the practice after Mr. T retires. Total monthly gross revenue of Herbal Medicine is approximately \$6,600. The annual family income before the purchase was less than \$26,000.

Coffee & Sandwich Shop starting date - 1995  
Employees: 3 – husband, wife and one kitchen help

Visited on August 19, 1997

Prior to opening the Coffee & Sandwich Shop, Mr. and Mrs. C ran a coffee shop in San Francisco. The coffee and sandwich shop offers customers French style sandwiches, donuts, and coffee. The clientele is Vietnamese (all ages) and people working in the area. There is a chess set available for those who wish to play. Revenues are \$3,000 per month and in 1995, annual income was less than 26,000.

Restaurant starting date - 1995  
Employees: 6: husband, wife, son, daughter, kitchen help

Visited on August 26, 1997

The J family received cash assistance support at the time of their arrival to the U.S. in 1983. Before opening the restaurant, Mrs. J was a cook for numerous restaurants and Mr. J worked several odd jobs. They purchased the restaurant in 1995 and expanded it in March of 1996 to hold 45 seats. The whole family works at the Restaurant - wife as cook, husband and another employee as kitchen help and their daughter and son in the dining room. In total, they acquired \$18,675 in loans from friends and relatives to purchase the restaurant. In addition, the owner held a \$22,500 promissory note in favor of the sellers, payable in 15 months. Another note for \$17,500 in favor of the landlord. In July 1995, annual income for the household of five was \$20,850.

Fabric store starting date - 1985  
Employees: owner and 1 full-time help

Visited on July 31, 1997

In Vietnam Mrs. Y managed a wholesale auto parts business and later owned a movie theater from 1970 to 1975, until the Communists took control of Da-Nang. Mrs. Y came to San Francisco in July of 1978 as a refugee. To gain knowledge on how to operate a business in the U.S., Ms. Y managed a grocery store from 1978 to 1985, when she started her own fabric bazaar/gift store. The store offers a variety of products, from fabrics to special items for annual festivities such as the Vietnamese New Year Tet celebration and has special yearly sales. She also operates a Western-Union Telegraph System, which allows her to receive orders from foreign country. The Fabric store purchases its products from wholesalers in LA and San Jose. Ninety per cent of the Fabric store's clientele are Southeast Asian Refugees. Mrs. Y bought the business through personal savings and financial assistance from her two adult children. Last data shows that in first quarter of 1986, sales reached \$34,034, giving a net income of \$3,954, with an owners draw of \$1500. With two adult children's' income, total family income after expenses was \$2,331.50.

Restaurant starting date - 1992  
Employees: husband, wife, son and one part-time waitresses

Visited on September 11, 1997

To achieve economic self-sufficiency, Mr. D opened a restaurant similar to one they had in Vietnam with the help of his brother. Upon arrival in the U.S., the family received some AFDC benefits as their annual household income was less than \$26,000. Similar to their Restaurant in Vietnam, it specializes in Hue Beef Noodle Soup. They have take-out and delivery service, and two part-time waitresses. His wife and son also work at the restaurant.

Grocery Store starting date - 1993  
Employees: Mr. & Mrs. M

Visited on July 30, 1997

Mrs. M learned English for 5 years at Adult School and she also attended City College. From 1985 to 1993, Mrs. M acquired managerial skills while working as a secretary and salesperson for her sisters trading company. Mrs. M speaks fluent Cantonese, Mandarin, Vietnamese and English. The M family has a long tradition in the grocery and food industry. After 30 days as an observer at the counter of the grocery store, Mrs. M bought the business in Dec. 1993 for \$40,000, which was paid in full. Mrs. M purchases the products sold in the store from importers and wholesales and resells them with a 12-20% profit margin. Three stores offering similar products compete for customers. The store remains competitive as their price is a bit lower than the other stores. The grocery store sells dried and canned foods, newspapers, cigarettes, cookies, candies, kitchen utensils and much more. The grocery store is well-known in Chinatown, especially for their dried goods. In addition, it is a cigarette distributor for smaller grocery stores in the neighborhood. Sales in 1996 were \$708,441, an average of \$59,000 per month. Owners draw from the business was approx. \$2000. Her husband's salary is \$2000 per month. After expenses, their net monthly balance is \$336.

Restaurant starting date - 1994

Visited on August 26, 1997

Employees: husband, wife, two children and part-time help

In Vietnam, Mrs. Q engaged in various small retail trading ventures such as groceries, toys, apparel, etc. with several members of her family at the central market. Mr. Q was a mechanic and worked at the Police Department Special Forces in the same province. Upon arrival in the US, they learned English for 2-1/2 years at Alameda Adult School. Mrs. Q worked as assistant cook at this restaurant before purchasing it for \$100,000 through savings and a note to the seller in 1994. Unfortunately they did not have enough working capital and funds for interior and exterior renovation work. The majority of the customers are Caucasians living in the neighborhood. The restaurant has 49 seats and offers a selection of 49 dishes. Ms. H is assisted by her husband in the kitchen and a waitress. Their daughter works as a waitress and during busy times, the son also works as a waiter. Lunch time business is a bit weak given the residential location of the restaurant and perhaps because prices are a bit high. The dinner clientele is strong and business has been steady but not exceptional. Monthly gross is \$10,000. Owners advertise in the Vietnamese magazine weekly. Flyers are distributed every three or four months and the exterior sign is illuminated day and night. They hope that continuous advertising and remodeling, reasonable prices, prestigious name and good food will bring in more customers. There are 3 other Vietnamese restaurants in the near vicinity.

Video Store starting date - 1993-94

Visited on September 2, 1997

Employees: 2, husband and wife

Mr. Q was an intelligence officer for Vietnam Armed Forces in Vietnam and Mrs. Q studied languages. They came to the U.S. after the communist take-over but have struggled to survive. It was hard to find a job given Mr. Q's background and Mrs. Q was sick due to complications during her pregnancy. Public assistance and Mr. Q's newspaper delivery job did not cover expenses. They remembered reading a brochure that advertised different kinds of businesses. Mr. and Mrs. Q first invested in a vending machine business from personal savings and a loan from a friend but found that profits were meager for the amount of hours

actually spent emptying and refilling machines without a car. They knew a friend who had a successful video store and decided to invest in a small video store that was for sale. After no more than 20 minutes with the owner, they bought it with a loan from friends. They learned everything on the job - dealing with customers, stocking and ordering videos, setting prices, etc. Hours were long and competition was tough with two video stores around the corner. After only a few months of operation, a federal investigation ordered them to pay heavy penalties as one of the warehouses they purchased videos from distributed illegal copies. They finally sold the store for a loss. Currently Mrs. Q works as a court translator.

Video store starting date - 1990-closed in 1996  
Employees: 5, 2 family members

Visited on September 18, 1997

*This interviewee discusses her family's history at length beginning from their attempts to leave from Vietnam to the operation of a video store business in the U.S. While their history is not necessarily typical--the daughter graduated with an MBA--their story does illustrate some of the difficulties faced by Vietnamese entrepreneurs. The interviewee also discusses her observations and thoughts about Vietnamese entrepreneurship and the barriers they encounter.*

Mr. N worked for the government in Saigon. His wife owned and managed a jewelry store, a business her family has been operating since 30 years. Their three children were in school. As Saigon fell to the communist regime in 1975, Mr. N was deported to re-education camp, where he would spend the following four years. The government seized valuable possessions, their cars, three homes and the jewelry store. The family resided with relatives. They tried to leave several times but failed and were imprisoned for a few days for each attempt.

In 1978, they fled in a small boat and landed in the refugee camp in Indonesia. Y, their eldest daughter, explains the conditions in the camp, "While we were happy to be safe, we still missed our home, family and friends. My father was unable to join us as he was still in the re-education camp. We left everything we owned in Vietnam and left with some savings and a few personal belongings. The four of us were crammed in a small living space allotted for our family. Water sources were about two hours from the camp and every two days, we would make the trip to bring drinking water and take baths. Food was limited and barely available for two meals a day. There was no electricity and waste disposal system in the camp."

"We passed a series of interviews with volunteer agencies and immigration officials from the U.S. The volunteer agency found a Christian Charity group in Ohio that agreed to sponsor us. The U.S. immigration services loaned us money to purchase our tickets to the U.S; an amount we all paid back by monthly payments once in the U.S. We were resettled in a small town in Ohio, which was both good and difficult at the same time. Since it was a small community, we knew everyone and the familiarity was nice but at the same time, it was different than in Vietnam. The Church helped my Mom get various little jobs and arranged for housing, financial assistance and school admissions for the kids. Once we were familiar with the American environment, we relocated to California to be closer to relatives. Our father joined us soon after the move. Since everyone in the family worked, we spent little time together."

Ms. Y enrolled in college and eventually got an MBA. Her mother, Mrs. N, wanted to purchase her friend's video store; she saw it as a good opportunity to save money for retirement. Y agreed to manage the store and care for her cousins who had come to visit. The

hours at the video store were good as she could drop and pick them up from day camp and they could eat lunch and do homework in the backroom. Y went to observe operations at the store for 4 months before purchasing it. They bought the store with loans from relatives, friends and a note to the seller. However, working capital was very little and the first week was tough. The business was primarily cash based, she barely had enough to turn over to the next day. They also had to purchase new releases to stay competitive - the store was large enough to compete with Blockbuster Video. The biggest challenges were managing, accounting, calculating expenses and profits, hiring employees, recording sales and dealing with customers. Y explains that "it took some time to achieve the optimal level of purchasing and budgeting." They later hired an accountant to do monthly bookkeeping and file taxes.

Ms. Y explains, "one of the biggest differences from doing business in Vietnam is that in the U.S., one has to market, advertise and promote their products or services. She feels that this is usually very difficult for most Vietnamese small business owners as they are not used to advertising and do not understand why it is important to market their products. In Vietnam, everyone knows the businesses and their owners so there is no need to advertise or really worry about competition.

Small businesses in Vietnam were also more informal. Agreements are based on personal relationships and oral contracts. Y explains, "you do business with someone whom you know personally or know through someone. In the U.S., business is conducted through written contracts and mail order video warehouses. The other difference is paying taxes. While a formal tax system existed in Vietnam, it was not elaborate." For the N family, the tax collector paid no more than a friendly visit to their jewelry store since her father was a government official in Vietnam.

Florist starting date - 1997

Visited on October 17, 1997

Employees: 1

Mrs. C was the previous owner of a liquor store in San Francisco. Hours were long and profits were small. In addition, the store was burglarized two times. She sold the store and opened a flower shop across the street. She has some training with flower arrangement in Vietnam and has always liked the business. She prefers to manage her own business because it allows her greater flexibility and time to care for children. Unfamiliarity with the American culture, fearing problems in relations with employers and her limited knowledge of the English language kept her from seeking full-time salaried employment.

Jewelry Store starting date - 1993

Visited on August 26, 1997

Employees: 3, husband, wife & daughter

Mr. and Mrs. C owned a jewelry store in Vietnam. After 1975, they were forced to leave Vietnam and in 1979, they went to Galang refugee camp in Indonesia. After one year they resettled in the United States through a sponsorship of a church organization in Seattle Washington. With a help from other members of the family and a little savings, they were able to open the jewelry store specialized in 18 to 24 carat gold. The husband is trained as a goldsmith. He redesigns and makes repairs for the customers while she discusses prices with customers and helps her husband order new products from wholesalers. A daughter comes to help from time to time. Most of the clients are Asians living in the area. They don't really have plans for expansion at the present time. Mr. and Mrs. C are waiting for one of the children finishing the training in jewelry design and goldsmith and take over the business.

Nail Salon starting date - 1994

Visited in September 1997

Employees: not available

Ms. T started working as a beautician when she was only seventeen. She quickly learned that with six months of training, she could start her own nail salon with around \$ 5,000.00. "It does not take very much to set up a nail salon," says the young owner. "You can buy a nail table for as low as 99 dollars or you can also dish out close to \$500.00 if you want a fancy one with all the trimmings. You must know what you want and work within your budget. The work is light. The hours are flexible and you don't really need big muscles to do the job as well as extensive English skills." However, competition is getting stiffer and profits are no longer as high. There are situations where within a few blocs, four to five nail salons compete for customers, who become more knowledgeable and look for bargain prices and services. "You can no longer charge 40 to 50 dollars for a set of new nails. The going rate among Vietnamese nail salons is 25 dollars per set. You still make a little profit but it's hard now. You have to build your own clientele and hope that they return for your good services."

## Appendix D

### THE VIETNAMESE IN HOUSTON: A PROFILE OF THE BUSINESS COMMUNITY

#### Introduction

It was barely 6 a.m. on the clock. It was still gray with a few rays of sunlight filtering through shiny pine needles that make this part of North Houston one of the most sought after neighborhoods. A lone jogger disappeared quickly around the corner into tall pine trees. Mrs. V. gets ready for her daily routine. A long drive to her coin operated laundry shop in an ethnic community in Houston. There she will wait for her father of seventy-five who will relieve her at 9 a.m. He drives quite a distance to get there and after some instructions for the day, Mrs. V. leaves him in charge and makes a regular stop at the local motel to pick up a load of laundry or drops off some that have been washed by another dry cleaning place that she has a business relation with. She gets in her office around 9:30 a.m. and would not finish everything late usually 6 or 7 p.m. before getting back to her suburban home to prepare dinner for the family. Her son is entering his senior year at Texas A. & M. Her daughter is still in high school. The husband works as a researcher in a biotechnical firm in the Houston area.

Mrs. V. works very hard as the first generation of Vietnamese immigrants to this country. Houston is one of the metropolitan areas that attracts very large groups of immigrants. Perhaps partly due to the hot weather that reminds them of their country and also by the increasing number of opportunities available. Houston went through some difficult times in the late eighties with an "oil bust" and many Houstonians have lost businesses along with their homes. The city is recovering and the ethnic community seems to be thriving again.

There are now sections of Houston that resemble parts of Taipei, Seoul, or Saigon where the languages used in daily interaction and businesses are either Mandarin, Korean, or Vietnamese. You can practically get what you want in services and products in your language. A radio broadcast in Vietnamese on a daily basis keeps you company throughout the day while driving or at work with a heavy blend of advertising, music, and news. From what I heard from two informants, the program is doing well with all the support from the business

community. Mrs. V. is currently among the ten of thousands of Vietnamese immigrant women who are now part of that fast growth in the community. This ethnic business community is very visible in many parts of the United States. From Falls Church Virginia to Orange County in California, they have been growing at a very fast pace.

This short article looks at the Vietnamese business community in Houston and in particular focuses on the role of the Vietnamese immigrant women. Several key Vietnamese businesses and professional women were interviewed with the help of key informants facilitating meetings as well as informed walks through the malls and business centers. The time allowed for this exploratory study was during the summer months of 1997 with scheduled meetings and face to face interviews with Vietnamese business owners in Houston metropolitan area. This preliminary paper hopes to add new information to the established profiles of the Vietnamese business community in California with respect to strategies, direction and challenges that Vietnamese businesses have to face.

### **The Vietnamese Community In Houston**

A search through the available statistics show that in 1990, the Census gives the total number at 72,000 Vietnamese in Houston. Other Vietnamese in the community estimates at the number 100,000. However, there is not really an accurate figure to the exact number of Vietnamese Americans in Houston. Three major concentrations are recognized by those I interviewed. The downtown section, the southwest section, and the southern part of Houston. There are many malls, shopping center and professional offices that cater to the range of needs of the Vietnamese immigrant community. From the Asian business directory of Texas, the total number of Vietnamese associations listed is 30 different organizations ranging from religious to ex-military personnel associations.

On the medical services side, there are enough physicians for the Vietnamese speaking community with twenty pages of advertising. This is true in Houston as well as other concentrations in California where the listings of medical services fill many pages in the



business directory. Vietnamese dentists, chiropractors, acupuncturists, herbalists, massage therapists give Vietnamese patients the choice of health services which include both the traditional way of health care practices with diagnoses and prescriptions by the herbalist as well as therapy work to correct health problems experienced by the Vietnamese immigrant community.

Similar to the case of Orange County or San Jose in California, Vietnamese businesses in Houston display the same types of characteristics and the business sector divides into two areas of activities: the ethnic specific products and ethnic specific services which can overlap with regular mainstream services. The differences being that these services are provided with the support of language skills and referrals within the community. For example, real state mortgage packages can be put together with the help of a Vietnamese loan processor or you can get your car fully serviced by a Vietnamese mechanic who can explain what he did with the engine.

A brief survey indicated that there is a great deal of similarities in the food businesses such as groceries and restaurants. In Houston, along long boulevards in the Southwest section, mini malls and medium size business centers provide a huge choice of restaurants to the local community. There are all sizes of restaurants, sandwich shops and cafes. The scene is very familiar with Orange County and San Jose. Houston is little spread out but shows the same arrangements as far as ethnic businesses are concerned. Easy parking off the streets, uniform store fronts and a large sign displaying the types of business are the same features as Orange County, California. The following are a few examples of these types of businesses.

### **PHO "TRAILER"**

Next door to a dry clean shop in the southern section of Houston, two old looking trailers sit side by side linked by a walkway and a little garden in front with flowers blooming and patches of herbs growing in the warm sun of Houston. The only sign that catch Vietnamese customers attention is "pho" which stands for "beef noodle". Inside one of the

trailers is a dining room with an air conditioner going in full blast, next to a kitchen with a small window over looking the front parking porch. The early morning attracts only a few customers. There is no menu and the three waitresses came to the table to ask for your order. Customers must know what they want and they must also know what is “pho”.

The dining room has five long tables of different sizes. An old radio broadcasting in Vietnamese and three big calendars with attractive Vietnamese models decorated the entire dining room. The large air conditioner is straining at time with some funny noise, customers can see a large pot of broth simmering at the corner. There is a Vietnamese newspaper rack and a non-smoking sign that Vietnamese patrons ignore when they keep on puffing. The Cilantro smell helps a little with the smoke from two customers puffing away.

"Pho Trailer" is another innovative way of making it in America. The business closes at 4 p.m. or when they run out of food or more precisely "pho". The total 300 bowls a day would be more than enough to make it after very low overhead cost. The business hours are from 8 a.m. to 4 p.m. and “Pho Trailer” is closed for dinner. The owner/cook/bookkeeper lives next door in another trailer avoiding commute time and it is a family operation with no advertising and by word of mouth they get plenty of customers. The food is not that special from larger outlets or Pho restaurants. It’s not really that cheap but it is convenient for many who live in that part of town. The location is next to the freeway and so it is easy to stop by before the rush to work. Customers are mostly Vietnamese speaking and they know exactly what they order. Thus, no printing cost. When the owner wanted to increase his prices, he can just tell his waitress. Customers have to have to add a few more bills on that particular date.

"Pho Trailer" is doing well according to the many customers I talked to. Some are regulars and as long as the quality of food and services are maintained they will return. The owner/cook had gone through many ventures and this is the one that proved to be the most lucrative. The researcher did not have a chance to ask directly the owner since the visit was brief and during a busy time. However, with several key informants who are regular customers and also part of the community in Houston Texas, one could get a fairly decent picture of the business.

## VIETNAMESE OWNED MORTGAGE COMPANY

In her late thirties, Ms. H. is a very energetic woman, attractive, well-dressed, and very articulate. She wasted no time in asking the researcher the main purpose of the meeting. She was very gracious and in a very business like fashion talked about her company which employs over 16 different employees and loan processors covering a wide range of ethnic groups with different languages reflecting the changes in the population of Houston. Located on the first floor of a modern building, the office shows professionalism with conference room, reception area, work stations, private offices, and a full communication system that rival any large American corporation.

Finding steady work and supported by the earnings of their businesses, Vietnamese immigrants are using more and more financial services for many reasons. From construction loan to real-state mortgage, Ms. H's company designs the loan package according to the needs of each individual client. With a two day span anchoring the lunch room, the researcher was able to observe the rhythm of the business and had a chance to interact with many of Ms. H's staff. There was a constant flow of clients as the switchboard rang non-stop.

Ms. H arrived in the United States when she was sixteen. She finished secondary education and went on to college. She started her financial career with a savings and loan company and specialized herself in Vietnamese businesses. She learned many things on the job and now has a very complete knowledge of the market. She understands well the financial needs of the community and she is well-known in the community with extensive advertising in Vietnamese language brochures and business directories.

The majority of her loans ranges from \$100,000.00 to \$200,000.00. After many years in the business and acquiring a solid reputation, Ms. H. has the full support of many large lending institutions and investors. Thus, she can sustain the competition from other smaller companies (one-person operation) willing to charge less for their fees. Many cases these small operators give breaks or discounts to customers that would result in a less than perfect loan package. At times, these competitors break rules or engage in fraudulent practices. "Not only

you have to deal with the big guys but you have to watch out for the small guys as well," Ms. H told the researcher.

One of the strategies to maintain business at the same level is the company provides a full range of services associated with lending and borrowing. In fact, in the same building, Ms. H's clients can utilize other related services as well. Her associates head a title company, an insurance and investment company which are on the second floor of the same building. Closing procedures can be done very fast saving clients from going to different places with a pile of papers needing signatures.

As told by Ms. H, immigrant borrowers are very different from let's say the regular Mr. Jones wanting to expand his business. Mr. Jones comes with an established credit history, pays his taxes, and has a thirty year mortgage. Mrs. Nguyen, the Vietnamese client instead has only a social security number, no credit history, and no mortgage to pay. If she wants to borrow she has to convince the lender that she is a good risk and also very knowledgeable in the type of business she considers. To apply, she told the loan officer that she has twenty thousand saved and needs another ten to open her grocery store. Now it is up to the loan officer to go through whatever information available to approve the loan. Often time, the loan officer has little information on the twenty thousand dollars that her client says she has on hand.

This is a common problem that Ms. H encounters quite often. She cannot get the full disclosure by the clients of all the sources of income. They are reluctant at times to cooperate until they are convinced that these are the regulations that must be applied across the board and they cannot bypass them. Immigrant borrowers learn from other smaller operators that they can bargain for the services and get misinformed. Small loan services break rules and influence borrowers' behavior in a negative way. It is not unusual to see borrowers bargain for discount, lower fee, and cash rebate from ethnic loan services.

With successes accumulated there is always a high price to pay. Ms. H works twelve hours a day and after work she switches from her car phone to her personal cellular phone; listens to her voice mail and pager almost twenty four hours a day. She argues that this is

where the first generation can build the foundation and future for the second generation of Vietnamese Americans who she hopes can do better. There is a lot of sacrifice as well. Family time, time for herself is drastically cut back knowing that she cannot let go as the entire operation depends on her expertise on the local loan market, her understanding of the needs of the community, and her established relations with other business partners or lenders.

Ms. H. is very confident of her future. After all, she had gone through very difficult times when Houston experienced tough financial crisis. She survived these difficult times and build a company that has become a major lending institution in the Vietnamese American community of Houston. Her company is one of the examples of Vietnamese ethnic enterprise in America. The adaptability and the hard work combine to make it a successful business venture.

### **MASSAGE THERAPY AS AN ALTERNATIVE HEALTH PRACTICE**

Along Bellaire Avenue of Houston, Texas, ethnic flavors can be savored from the many restaurants with exotic decor and also from the range of services offered to the immigrant community. A fresh storm from the Gulf created large puddles in the parking lot that is half empty in the afternoon. In the middle of the complex, a sign advertising neuroreflexology and Oriental massage therapy promises relief to patients suffering arthritis, muscle atrophy, and diabetes.

This health clinic is headed by a licensed Vietnamese massage therapist who was trained by a combination of Oriental medicine and massage therapy techniques. She had developed her own approach and according to her voluminous files stacked up against the wall, her treatment was the most successful. She employs a few additional assistants. They learned her method and help when she has several appointments stacked up. Private examination rooms make this health care clinic look very professional with white uniforms, medical charts and posters explaining parts of the human anatomy. It has the combined

atmosphere of both the eastern treatment room and the western cleanliness that you can find in any doctor's office.

When the researcher showed up, there were a couple of Euro-American patients waiting. One suffered from multiple sclerosis and had very difficult time walking. He used a cane and had no health insurance. There, he was treated pro-bono. A devoted Catholic, she cannot see the suffering of her patient, she explained. She makes special adjustments for patients who do not have money nor health insurance. On a regular visit, she charges forty dollars per session which could last up to an hour. This is an alternative way of healing that she thinks highly efficient. Letters of patients are xeroxed and posted on the wall. Photographs showing patients' progress are also displayed with legends and explanations at each stage of her treatment plan. She also authored a medical book published in Vietnamese. Highlighting her methods, she shows the many interns and trainees she has developed in Vietnam. During her last visit to Vietnam, she gave seminars and workshops to health workers in various locations of her native country.

Ms. L. relies heavily on commercial ads for her services. Her clinic is in every Vietnamese magazine in Houston. Sometimes, she is found among the local community news with donations and volunteer services for the needy. Other times she appears in the column of donors for community projects. She is well-known in the community and is actively involved in projects within the boundaries of the Vietnamese American community of Houston. Appeared in traditional ao dai among her business peers, she is recognized in news photos, magazines, reports, articles, and editorials discussing the issues in the community.

She encountered many problems when she has to deal or interact with her fellow Vietnamese health care workers. Few Vietnamese doctors challenged her claims that she could treat diseases and illnesses via her massage therapy technique. To counter such professional attacks, she presented patients letters and official documents from local health services requesting her assistance in the treatment of selected patients when alternative treatment can be beneficial to the patients.

Ms. L also works long hours. Getting the office ready at 8 a.m., she leaves her house very early in the morning. Depending on the number of appointments, she could stay past 7 p.m. She opens on Saturdays. Most of her patients can afford the treatment fee. Others without any form of health insurance and money get the treatment “gratis”. She has many expenses to cover. From monthly rent, electricity to salary for her two employees, she must see paying customers on a regular basis. Some patients on medical and Medicaid have been using her clinic as she showed the thick dossiers in the filing cabinet.

In a treatment session, she demonstrated her technique of stimulating all the nerves in the human body. Using eastern medical approach, she shows her method by pointing to the nervous system on the chart, the various organs, and the interrelationships based on the elements of Eastern medicine. She is confident that her alternative treatment works well with many of her patients. Using specially designed rollers, she rubs vigorously the back of her patient along his spine. Chest, arms, legs, skull, back, kidney area of the human body receive also a strong massage. How does massage facilitate the healing process? Ms. L. explained that illnesses are the results of imbalances experienced by the body. Thus, by stimulating organs and nerves that link directly with the area affected, they can recreate the equilibrium.

From these few cases highlighted in this article, strategies for economic adaptation in the Vietnamese American community are indeed very similar from different regions. Some general observations can be drawn from these cases with examples of businesses in California.

1. As an immigrant community, Vietnamese newcomers show a strong inclination for self-employment and are not hesitant in venturing into new areas of businesses of which they have no knowledge or very little training. Vietnamese women are most adaptable to new situations. They are in particular highly motivated and well-represented in Vietnamese ethnic businesses that serve not only to the ethnic community but also the larger host community. Nail salons are an example of Vietnamese entrepreneurs carving a niche for themselves. They are very well-represented in this line of business.

2. Relying on hard work and extensive time investment for their business, Vietnamese entrepreneurs can achieve stability after several years of savings, thriftiness, and cutting corners on salaries and overhead cost by working longer hours and pay themselves only a nominal salary. They are able to subsidize the basic needs of the family at the initial stage of rent. Additional members of the family are mobilized when they are needed to help with the business. These helps include children, siblings, relatives, and friends. Relying on this kinship network, businesses can survive and thrive when a good management system can be put in place.

3. One of the important ethnic resources is the availability of financial help when family members and friends assist with the initial capital. Rotating credit clubs is another way of getting some up-front money for the business.

4. Vietnamese entrepreneurs are willing to try it out in a neighborhood in decline. Partly, because of the low rent and also the presence of their fellow country people, they hope to change the neighborhood by giving it a total facelift such as the case of the Tenderloin of San Francisco and Boston Chinatown. The area might not be attractive at first with large concentrations of ethnic minorities but over time with new businesses, these areas become choice real estate sections.

5. Many Vietnamese entrepreneurs learn their new skills on the job when they start out as salaried workers. Such are the cases of many restaurant businesses which are bought by waiters or cooks. After accumulating enough savings and gaining much work experience, they either bought part of the business from the original owners or purchase the entire businesses from all the partners who sought to retire or venture out to another part of the country in hope for more profit and less competition.

6. Perseverance and sacrifice are two key elements adding to the ingredients for success. From all the information collected by the interviews, Vietnamese business owners work long hours and have practically no social life. Seven days/week and 12 months/year are the norms. They only take a few days during the Tet New Year holiday. The few occasions that they could get together with family members are celebration rituals or family traditional



ceremonies. Many expressed that there is always a high price to pay since the family suffer a great deal as children are left on their own with school, homework, or sport activities.

The Vietnamese business community in Houston is not any different of the one in San Jose or Orange County. Within the enclave, they specialize in ethnic specific products and services. The primary focus is to meet the needs of the community in the initial phase of their resettlement. Those who venture out of the enclave target into the mainstream population adjust well in many upscale sections of the city. Nail salons, dry cleaning shops fit this business strategy of reaching out to the general population and into the suburbs. Many have done extremely well by providing good services at a reasonable price.

Forecasting the future, Vietnamese business owners admit that it will not get any easier. Many new businesses have folded within the first two years. And there are those who are merely hanging in. Within the enclave, the competition is getting fierce with cut-throat tactics. Within one block, there could be many shops and services selling or providing the same products at a range of prices. The consumers in these cases can take advantage of such competition. To date, there is no reliable data on the success rates of Vietnamese businesses. At the same time little is known about the number of Vietnamese entrepreneurs calling it quits after an unsuccessful attempt.

In the service area, it is the same story with more and more professional offices serving the same population. The last few years have seen a slow down in immigration rate hence the pie is not getting any bigger. The new arrivals are not doing that well with all the cut backs in refugee dollars.

In that sense, the Vietnamese American community in Houston is not different. In order to survive, they need to adjust accordingly by providing new products and services. With the changes and the new relationship re-established between the United States and Vietnam and possible trade relations, can these businesses look at a new era of commercial exchanges that prove to be beneficial to both sides of the Pacific. It is certainly worth a try.

## **BUSINESS, CULTURAL, AND COMMUNITY ORGANIZATIONS**

The Vietnamese Business Directory of Northern California serving the communities of San Francisco, Oakland, San Jose, Stockton, and Sacramento (Yeu Publications, 1997) projects a good picture of the Vietnamese American community in Northern California and in the San Francisco Bay Area as a well-established ethnic community. The 300 page directory lists over 3,300 businesses and organizations which serve mainly Vietnamese speakers. Many of these organizations are concentrated in San Jose, Oakland, and San Francisco. In San Jose, along Santa Clara Avenue, in Oakland along International Boulevard, and in San Francisco Tenderloin district in the downtown section, city blocks are dotted with Vietnamese businesses.

The Tenderloin district in San Francisco is immediately discernible by language signs in Vietnamese promoting anti-smoking campaigns, in store fronts advertising sale items, and professional services. Vietnamese own many buildings and properties in those large urban concentrations. The Southeast Asian Community Center is located on O'Farrell Street in the middle of the Tenderloin. On Ellis Street in the same building adjoining to the Glide Memorial Church, the Vietnamese Youth Development Center provides after school programs to Vietnamese highschoolers. In Oakland, many agencies set up their offices along International Boulevard such as Huong Viet Community Center and the East Bay Vietnamese Association. In various parts of San Jose, Oakland, or San Francisco one can hear Vietnamese spoken and feel as if he/she was in the streets of Ho Chi Minh City. One can get a free copy of a Vietnamese language newspaper from the Vietnamese businesses, eat a Hanoi style noodle soup, and rent many favorite video programs produced in Orange county, California or imported directly from Viet Nam. Three blocks along Larkin Street of San Francisco are closed to traffic every year during the New Year Tet Festival where businesses, agencies, and organizations advertise their products and services. The Santa Clara Fairground is also the site for a bigger New Year Tet celebration attracting hundreds of thousands of Vietnamese for the festivities.

Many of the organizations meetings are held either in the community center or at various religious centers in those Vietnamese concentrations. The nature of the meetings varies: it may be annual installation of officers for the community center, a general meeting for New year celebration planning or simply organizing the end of the year award ceremony for young talents and achievers from the local school district. Most meetings are held on week-ends or in the evenings to avoid conflict with the working hours of the participants. Some community meetings could bring out hundreds of members from both sexes.

Businesses in the Tenderloin district picks up on weekends and holidays. Grocery markets such as *Trieu Phong* and *Tan Duc* are crowded with Vietnamese housewives who shop for Vietnamese items once a week or once every two weeks. Restaurants and noodle shops are filled with Vietnamese families and business groups. Many out-of-towners come to enjoy ethnic food or to stock up items hard to find in their regular *Safeway* or *Lucky* stores. At Lion Plaza in San Jose, it is always hard to find a parking space practically every weekend. A food court crowded with Vietnamese patrons offers a variety of dishes hard to find elsewhere. Inside the mall, there are many shops offering a variety of products for Vietnamese customers such as clothing items, video cassettes, jewelry, and food items.

In addition to various kinds of retail and services businesses, the *1997 Vietnamese Business Directory of Northern California* offers a list of religious and community organizations. Buddhist temples, Catholic churches, and Protestant organizations offer a wide range of services in the Vietnamese language. They are scattered in counties of the San Francisco Bay Area. A quick glance shows seventeen churches in San Jose, San Francisco has three and the East Bay gives a choice of eleven worship places of different denominations. There are fewer Buddhist temples, with six in San Jose, two in San Francisco and two in the East Bay.

In the following pages, based on this 1997 Vietnamese business directory, short profiles of the businesses and voluntary community organizations will be presented under five different types most often found in the Vietnamese ethnic enclaves.

### **Vietnamese Community Based Organizations**

These organizations are non-profit operating by rendering services to the Vietnamese speaking population. They are funded by the federal government such as Title XX in the early days of refugee resettlement, or by the State Department of Social Services to provide many services for incoming refugees and immigrants. They are staffed by Vietnamese speakers and non-Vietnamese speakers. The range of services varies from English as a Second Language to mental health counseling and employment development programs. In the eighties, there were many of these funded programs which offered a wider choice of programs and services. Currently, only a few survive due to drastic cut back in federal and state fundings.

### **Vietnamese Religious Organizations**

Due to the traumatic experience as refugees, religious services are indeed soothing devices that Vietnamese arrivals find very helpful during the initial resettlement process. Very quickly after the first few months, religious leaders are identified. They started to reconstitute their congregation. Volunteer works and donations poured in with the first church or Buddhist temple opened its door to provide services on Sundays. There are many associations members affiliated with a church and also there are those affiliated with the Catholic church but they also provide social services such as Catholic Charities with many offices across the San Francisco Bay Area.

### **Other Institutions offering services to Vietnamese newcomers**

Many non-Vietnamese businesses try to attract Vietnamese by hiring Vietnamese speaking staff or place advertisements in Vietnamese language newspapers or on television programs. They include banks, long distance telephone services, escrow companies, car dealers, cellular phone services, and immigration services. To meet the rapidly increasing demand of the Vietnamese community, some government and other public organizations have

begun to provide services in Vietnamese. The following are the most noticeable and most important among them.

**1. Public Libraries.** Libraries in or in the vicinity of large concentrations of Vietnamese have a Vietnamese language section. The Oakland Public Library, Asian branch has a substantial number of books, videos, and audio-tapes in Vietnamese. Most of the libraries in the city of San Jose have several hundred volumes of Vietnamese books. These libraries are attracting Vietnamese readers as well as Vietnamese students who are new immigrants and attending nearby public schools. Some of the libraries hire Vietnamese speaking librarians to serve Vietnamese borrowers.

**2. Police.** The San Jose Police Department has several Vietnamese speaking officers. Some of these officers are assigned to the community relations unit. Brochures and pamphlets are printed in Vietnamese for crime prevention programs.

**3. State Department of Motor Vehicles.** In cooperation with community organizations, the California Department of Motor Vehicles (DMV) published a Vietnamese language driver's handbook. The Department also made available written tests in Vietnamese for those with very limited English skills.

**4. County Health Services.** San Francisco, Alameda, and Santa Clara County Health Centers have printed announcements and other health warning bulletins in Vietnamese. Health services are also listed on posters and pamphlets. Health service users can pick up any of this information at community agencies or county health centers.

**5. City and County Department of Social Services.** Since the influx of Southeast Asians in 1975, the State Department of Social Services has hired many Vietnamese caseworkers and eligibility workers to handle the Vietnamese caseload. Information sheets of

the various programs are printed in Vietnamese. Clients can inquire about these programs in Vietnamese. Interviews to determine eligibility are also conducted in Vietnamese.

**6. Housing Authorities.** To find subsidized housing under Section Eight, Vietnamese speakers in San Jose can address their inquiries to housing specialists speaking Vietnamese.

## **Appendix E**

### **MICROLOAN APPLICATION**



























## **Appendix F**

### **SAMPLE MARKETING MATERIALS & ADS IN ENGLISH & VIETNAMESE**

# LEARN HOW TO DO BUSINESS

## SUCCESSFULLY IN THE US

### ✓ DON'T MAKE A MISTAKE WHEN YOU BUY A BUSINESS

- Learn your legal rights & responsibilities

### ✓ DID YOU KNOW THE IRS WAS DOING MORE AUDITS ON SMALL BUSINESSES?

- Learn how to avoid financial penalties

### ✓ DO YOU WANT TO BORROW MONEY?

- Learn why good records are essential

### ✓ DO YOU WANT MORE CUSTOMERS?

- Learn how to market your business & increase your sales

\* \* \* \* \*

**Call us to find out about the next  
FREE Training Workshop & reserve your space today**

Contact: \_\_\_\_\_

Phone: \_\_\_\_\_

Workshop Location: \_\_\_\_\_



# INFORMATION ON THE MICROLOAN PROGRAM

## ✓ FOR A SMALL BUSINESS WHICH NEEDS

- To purchase furniture, equipment, inventory, other business assets, working capital

## ✓ MICROLOAN PROGRAM :

- Business loans up to \$25,000
- Term of loan :
- Interest rate:

## ✓ LOAN CRITERIA :

- Collateral. Business assets or loan guarantor. No real estate required
  - Business can be in operation for less than 2 years
  - Good character and strong motivation to succeed
  - Location of business in one of the following geographic areas:
- 
- In addition borrowers will be required to provide some or all of the following information : credit history, financial statements, tax returns, business plan

*Please call our office for more information & to make an appointment with*

A loan consultant at \_\_\_\_\_

Or drop by our office at \_\_\_\_\_



# Starting a Business but Low on Capital?

- ✓ DO YOU NEED A SMALL BUSINESS LOAN?
- ✓ THE MICROLOAN PROGRAM MAY BE ABLE TO HELP

Loans of up to **\$25,000** for equipment, leasehold improvements, inventory, asset purchases & working capital

- ✓ COMPETITIVE INTEREST RATES      TERMS

Call \_\_\_\_\_ for more information

Or drop by at our office at: \_\_\_\_\_





## **Appendix G**

### **BUSINESS MANAGEMENT TRAINING COURSE FOR VIETNAMESE ENTREPRENEURS (IN ENGLISH & VIETNAMESE)**

**SMALL BUSINESS  
MANAGEMENT  
TRAINING COURSE**

**for**

**VIETNAMESE  
ENTREPRENEURS**

# Small Business Training Course for Vietnamese Entrepreneurs

## **Note to Instructors:**

Candidates for the course are loan applicants and other intended entrepreneurs. Those who have existing businesses may also attend.

The training course is designed to provide a basic, overall introduction to US business practices and to educate the existing and prospective entrepreneur on keeping financial records, the US tax and legal system, marketing, and loaning and borrowing money in the US.

This curriculum is divided into four sections which can be presented in four 2-hour class sessions over a period of four weeks. We recommend that a Vietnamese-speaking individual, lead, or be present during sessions to interpret difficult concepts or answer questions.

The curriculum outline has been translated in full into Vietnamese for the convenience of students and for instructors who may be teaching classes using Vietnamese. These materials can be found at the end of the English section.



## Session I - Introduction to Marketing & Advertising

1. Location
  - When is location important?
  - How do you determine a good location?
2. Competition
  - How do you identify competitors?
  - Evaluating your products, service and price in the local market
  - How can competition effect your business profits and future success?
  - Making your business more competitive
3. What is marketing?
  - Identifying the appropriate target market for your product and/or service
  - Who are your customers?
  - Attracting more customers
4. What are the benefits of advertising?
  - Why is it important to advertise?
  - How can effective advertising bring in more sales?
5. Identifying Marketing/Advertising channels in your local community
  - Choosing the appropriate advertising channels for your business
    - ↳ Store signs and window displays
    - ↳ Newspapers / magazines - ethnic and local
    - ↳ Radio and/or TV (ethnic media)
    - ↳ Direct Mail
    - ↳ Networking

## Session II - Understanding Business Finances

1. Understanding an Income Statement
  - Sales
  - Expenses
  - Margins
  - Profit before tax
  - Cash
  - When are you making money?
2. Terms (Define)
  - Cost of goods
  - Sales
  - Gross margin
  - Salaries
  - Employee taxes & benefits
  - Payables
  - Working capital
  - Inventory
  - Receivables collected
  - Loan principal and interest payments
  - Cash flow
  - Financial projections
3. What kinds of records need to be kept?
  - Why is it important to keep financial records?
  - How to keep records
  - Finding an accountant

## Session II (continued) - Loans

1. What is a loan?
  - What types of loans are there?
    - ↳ Home
    - ↳ Personal
    - ↳ Business
  - What does a loan agreement cover?
    - ↳ Term of loan
    - ↳ Conditions
    - ↳ Interest rate
    - ↳ Service fee
    - ↳ Liability for payment
    - ↳ What can loan proceeds be used for?
    - ↳ What is entailed in a loan package?
2. What are the penalties for not repaying a loan?
  - What do you do if you cannot repay?
  - How can credit rating be affected?
  - What are collection agencies?
  - What is bankruptcy?
3. What do lenders want?
  - How do lenders evaluate loan applications?
    - ↳ Equity
    - ↳ Collateral
    - ↳ Credit history
    - ↳ Prior experience
    - ↳ Use of loan proceeds
    - ↳ Good character
    - ↳ Business performance
  - Do you need a loan guarantor?
4. Credit
  - Why is it important to have credit?
  - How can you obtain it?
  - How to maintain good credit
  - What are credit reports?

### **Session III - Introduction to the US Tax system**

1. The US tax system
  - Who has to pay taxes?
  - What are tax proceeds used for?
2. Types of taxes
  - State
  - Federal
  - Local
  - Income-based tax
  - Payroll tax
  - Sales tax
3. How to file taxes
  - Tax forms
  - Finding a credible accountant and tax preparer
  - Where and when to file Federal and State tax
4. What are the penalties of false reporting on taxes?
  - Financial
  - Criminal
  - IRS audits
5. Tax laws and requirements you need to know
  - Tax filing extensions
  - Retention of records
  - 1099 for employees
  - SSI, UI, SDI and tax withholding for employees
  - Employee vs. contractor
  - Where can you get more information and help?



## Session IV - Introduction to the US Legal System

1. How is the U.S. Judicial System organized?
  - Outline Legal System
    - ↳ Plaintiff
    - ↳ Defendant
    - ↳ Judge
    - ↳ Jury
    - ↳ Civil vs. Criminal
    - ↳ Courts
2. What is the legal procedure for civil cases?
  - Lawsuit
  - Filing
  - Evidence
  - Negotiation
  - Trial
3. How does business law apply to:
  - Forms of business organization
    - ↳ Sole-proprietorship, partnership, franchise, corporation
    - ↳ Licenses, permits: what are they and why they are required
  - What are the responsibilities and rights of business owners?
    - ↳ Employment obligations
    - ↳ Reporting and paying taxes
    - ↳ Contract obligations: leases, business purchase, sales agreement, employee contract, loan agreement
4. Introduction to Contract Law
  - What is a contract?
  - Written -vs.- oral contracts
  - What does a contract cover?
  - Types of commercial contracts:
    - ↳ Lease
    - ↳ Purchase Agreement
    - ↳ Promissory Note / Loan Agreement
    - ↳ Franchise
5. List community based legal services and technical assistance programs/organizations

## Check List of Documents needed for new businesses



### Local:

- ☐ Lease
- ☐ Fictitious business name
- ☐ Zoning - if applicable
- ☐ Licenses
- ☐ Permits - construction, health, wholesale, liquor

### State:

- ☐ Articles of Incorporation - if a corporation
- ☐ Workers' Compensation Insurance - for employees
- ☐ Unemployment Insurance - for employees

### Federal:

- ☐ Employer ID

### Other:

- ☐ Business Insurance















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## **Appendix H**

### **RESOURCE DIRECTORY FOR VIETNAMESE ORGANIZATIONS & MEDIA IN THE UNITED STATES**

















## Appendix I

### Bibliographic Sources / Suggested Reading

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